



GLOSSARY OF CASH TRANSFER PROGRAMME TERMINOLOGY

TERM	CaLP WORKING DEFINITION
Agent	An entity or retail outlet where an <i>e-cash transfer</i> can be spent or redeemed for cash, and/or where e-cash account holders can perform other transactions. Different Financial Service Providers (FSP) – such as banks, mobile network operators or remittance companies – can have agents. Agents are managed by an FSP, not a humanitarian agency See also <i>Financial Service Provider (FSP)</i>
Aggregator	An entity that consolidates financial transactions for processing, such as providing a single platform to execute payments via multiple FSPs See also <i>Financial Service Provider (FSP)</i>
Asset	Any physical, financial, human or social item of economic value owned by an individual or corporation, especially that which could be converted to cash. Assets can be categorized as human, physical, natural, financial and social
Authentication	The process of verifying a person’s identity
Basic Needs	The items that people need to survive. This can include safe access to essential goods and services such as food, water, shelter, clothing, health care, sanitation and education
Biometric Authentication	Technologies that measure and analyse human physical and / or behavioural characteristics for authentication purposes e.g. fingerprint, voice print, iris recognition
Bulk Payment	A simultaneous transfer of funds from an entity to many recipients
Cash Based Intervention (CBI)	CBI refers to all programs where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance the term is used to refer to the provision of cash or vouchers given to individuals, household or community recipients; not to governments or other state actors. CBI covers all modalities of cash-based assistance, including vouchers. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash). The term can be used interchangeably with <i>Cash Based Transfers</i> and <i>Cash Transfer Programming</i>
Cash Based Transfers (CBT)	CBT refers to all programs where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance the term is used to

	<p>refer to the provision of cash or vouchers given to individuals, household or community recipients; not to governments or other state actors. CBT covers all modalities of cash-based assistance, including vouchers. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash).</p> <p>The term can be used interchangeably with <i>Cash Based Interventions</i> and <i>Cash Transfer Programming</i></p>
Cash for Assets (CFA)	<p>Cash payments provided to participants for taking part in projects to create community or public assets, such as irrigation systems, roads etc. This is a form of conditional transfer and a sub-set of Cash for Work relating to those work programs which create assets</p> <p>See also <i>Cash for Work (CFW)</i></p>
Cash for Training (CFT)	<p>Cash payments provided for participating in a specified training session or series of training sessions. This is a form of conditional transfer</p>
Cash for Work (CFW)	<p>Cash payments provided on the condition of undertaking designated work. This is generally paid according to time worked (e.g. number of days, daily rate), but may also be quantified in terms of outputs (e.g. number of items produced, cubic metres dug). CFW interventions are usually in public or community work programmes, but can also include home-based and other forms of work.</p> <p>See also <i>Cash for Assets (CFA)</i></p>
Cash Transfer	<p>The provision of assistance in the form of money (either physical currency/cash or e-cash) to beneficiaries (individuals, households or communities). Cash transfers as a modality are distinct from both vouchers and in-kind assistance. <i>Although the nature of cash means it's generally not possible in practical terms to restrict how it is spent, a cash transfer may be described as restricted where it is intended that the cash be spent on particular goods/services, which is reflected in an intervention's objectives, design and targeting.</i></p> <p>See also <i>E-Cash</i></p>
Cash Transfer Programming (CTP)	<p>CTP refers to all programs where cash (or vouchers for goods or services) is directly provided to beneficiaries. In the context of humanitarian assistance the term is used to refer to the provision of cash or vouchers given to individuals, household or community recipients; not to governments or other state actors. CTP covers all modalities of cash-based assistance, including vouchers. This excludes remittances and microfinance in humanitarian interventions (although microfinance and money transfer institutions may be used for the actual delivery of cash).</p> <p>The term can be used interchangeably with <i>Cash Based Interventions</i> and <i>Cash Based Transfers</i></p>
Closed Loop	<p>A system in which the institution that issues the payment card is always the same institution that provides the acquiring infrastructure. The card or password can only be used on the acquiring infrastructure of that one institution</p>
Commodity Voucher	<p>Commodity vouchers are exchanged for a fixed quantity and quality of specified goods or services at participating vendors. Commodity vouchers share some similarities with in-kind aid in that they restrict and specify the assistance received, but it is accessed at local markets through traders.</p> <p>See also <i>Combination Voucher, Value Voucher, and Voucher</i></p>

Conditionality	<p>Conditionality pertains <u>only to prerequisite or qualifying conditions</u> that a beneficiary must fulfil in order to receive a cash transfer or voucher; i.e. activities or obligations that must be fulfilled before receiving assistance. It is distinct from restriction which pertains only to how transfers are utilized. Conditionality can in principle be used with any kind of cash or voucher assistance, depending on the objectives and design of the cash transfer programme.</p> <p>See also <i>Conditional Transfer, Unconditional Transfer and Restriction</i></p>
Conditional Transfer	<p>A conditional transfer requires beneficiaries to undertake a specific action/activity (e.g. attending school, building a shelter, attending nutrition screenings, undertaking work, trainings, etc.) in order to receive assistance; i.e. a condition must be fulfilled before the transfer is received. <i>Cash for Work/Cash for Assets/Cash for Training</i> are all forms of conditional transfer.</p> <p>See also <i>Conditionality and Unconditional Transfer</i></p>
Cost-Benefit Analysis	<p>Compares the value of a program's net impacts on final outcomes, expressed in monetary terms, with the extra costs associated with implementing the program, also expressed in monetary terms</p>
Cost-Effectiveness	<p>Cost-effectiveness is the extent to which the program has achieved or is expected to achieve its results (outcomes/impacts) at a lower cost compared with alternatives. [World Bank]</p> <p>See also <i>Effectiveness</i></p>
Cost Effectiveness Analysis	<p>Cost-effectiveness analysis measures the cost of achieving intended programme outcomes and impacts (e.g. improved food consumption, reduced malnutrition rates), and can compare the costs of alternative ways of producing the same or similar benefits.[DFID]</p> <p>See also <i>Cost Effectiveness</i></p>
Cost-Efficiency	See <i>Efficiency and Cost Efficiency Analysis</i>
Cost Efficiency Analysis	<p>The study of the administrative cost of a cash transfer programme relative to the amount disbursed.</p> <p>See also <i>Efficiency</i></p>
Critical Market Systems	<p>The specific market systems that are most urgently relevant to the target population's needs. Essentially those markets that have or could have a major role in meeting the essential needs of the target population [PCMMA]</p>
Delivery Mechanism	<p>Means of delivering a cash or voucher transfer (e.g. smart card, mobile money transfers, cash in envelopes, etc.)</p>
Demand Elasticity (Elasticity of Demand)	<p>A measure of how sensitive to price changes is the quantity demanded by buyers. Goods on which people cut back sharply, when prices rise or incomes are reduced (e.g. luxury items) have 'elastic demand' [PCMMA]</p>
E-Cash	<p>Any electronic substitute for cash that provides full, unrestricted flexibility for purchases. It may be stored, spent, and/or received through a mobile phone, prepaid ATM/debit card or other electronic transfer</p>
E-Transfer	<p>A digital transfer of money or vouchers from the implementing agency to a program</p>

	participant. E-transfers provide access to cash, goods and/or services through mobile devices, electronic vouchers, or cards (e.g., prepaid, ATM, credit or debit cards). E-transfer is an umbrella term for e-cash and e-vouchers
E-Voucher	A card or code that is electronically redeemed at a participating distribution point. E-vouchers can represent cash or commodity value and are redeemed using a range of electronic devices See also Combination Voucher, Commodity Voucher, Voucher and Value Voucher
E-Wallet	Software that resides on a smart card or mobile phone SIM card, and holds or can receive electronic cash and a digital signature
Effectiveness	Effectiveness relates to how well outputs are converted to outcomes and impacts (e.g. reduction in poverty gap and inequality, improved nutrition, reduction in school drop-out, increased use of health services, asset accumulation by the poor, increased smallholder productivity, social cohesion). [DFID] See also Cost-Effectiveness
Efficiency	Efficiency refers to the ability of a program to achieve its intended objectives at the least cost possible in terms of use of inputs (i.e. capital, labour and other inputs) See also Cost-Efficiency
Embedded Transaction	A good or service which is not paid for directly but is included or hidden within an exchange of another good or service which is paid for
Enabling Environment	The enabling environment or rules that influence how a market system works – sometimes these are called ‘dis-enabling’ factors because they make a market system work badly. It forms one ‘layer’ in market system mapping and analysis See also Market Map
Financial Inclusion	Financial inclusion means that a full suite of financial services is provided, with quality, to all who can use them, by a range of providers, to financially capable clients [www.centerforfinancialinclusion.org]
Financial Service Provider (FSP)	An entity that provides financial services, which may include e-transfer services. Depending upon your context, financial service providers may include e-voucher companies, financial institutions (such as banks and microfinance institutions) or mobile network operators (MNOs). FSPs includes many entities (such as investment funds, insurance companies, accountancy firms) beyond those that offer humanitarian cash transfers or voucher services, hence within CTP literature FSP generally refers to those providing transfer services
Gap Analysis	The process of calculating a gap in household and/or individual needs. Calculated as: Gap in needs = Total need – (Needs met by affected population + Needs met by other actors)
Income Elasticity of Demand	Measures the responsiveness of the quantity demanded of a good to a change in the income of the people demanding the good. Income elasticity is calculated as the ratio of the percentage change in quantity demanded to the percentage change in income
Inflation	A measure of increase in price(s) per unit of time (usually denoted in percentage increase per year)

Integrated Markets	Markets in which prices for comparable goods do not behave independently. If markets are well integrated, price changes in one location are consistently related to price changes in other locations and market agents are able to interact between different markets.
Interconnected Markets	A market system which, as well as being a market in its own right, is part of the supporting functions or rules of another market system
Know Your Customer (KYC)	This usually refers to the information that the local regulator requires banks to collect about any potential new customer in order to discourage financial products being used for money laundering or other crimes. Some countries allow banks greater flexibility than others as to the source of this information, and some countries allow lower levels of information for accounts that they deem to be 'low risk'
Labour Market System	A labour market system is a market system within which people sell or supply their labour, and others buy this labour (demand) [<i>Labour Market Analysis in Humanitarian Contexts</i>] See also <i>Market System and Labour Market Analysis</i>
Labour Market Analysis	Labour market analysis is about understanding the constraints, capabilities and potential to expand labour opportunities within the market system. In humanitarian contexts, this includes consideration of how target populations in particular access the labour markets and how to strengthen and support existing market actors [<i>Labour Market Analysis in Humanitarian Contexts</i>]
Magnetic Strip Card	A plastic card with a magnetic stripe capable of storing data using tiny iron-based magnetic particles on a band on the card and secured by a PIN, a signature or biometrics to verify the identity of the recipient before granting access to the funds
Market	The term 'market' refers to a system of exchange between two or more actors or players. The exchange can be for goods or services, or for money and can take place in a physical space or through virtual media such as the internet. Markets are sometimes defined by forces of supply and demand, rather than geographical location e.g. 'imported cereals make up 40% of the market'.
Market Analysis	Analysis of market information to understand how a market functions, or how it has been impacted by an event or crisis
Marketplace	A marketplace is where exchanges happen. This is typically a physical place where different wares or goods (and sometimes services) are sold – such as a village or livestock market. Marketplaces are a common starting point to assess the potential to fulfil demand for many consumables from food items to soap and clothing. (NB. The internet is providing more and more 'marketplaces' too, however its use by target populations is not well understood) See also <i>Marketplace Analysis</i>
Marketplace Analysis	Marketplace analysis is a more 'rapid' form of analysis and seeks to identify whether and how a physical market place can supply or deliver the goods / services that will be in demand. It focuses on the 'consumer' end of the market chain See also <i>Marketplace</i>

Market Chain	The market chain describes the core elements making up demand and supply – or all the actors trading (or taking possession) of the good or service within the market system – from consumer through to the primary producer or supplier
Market Map	A market map is a visual depiction of how an entire market system works, including all the actors in the market, how they relate to each other, the volume of produce being traded / exchanged by different actors, and prices. Market maps contain the following three elements: a) the market chain; b) market services; c) the enabling (or dis-enabling) environment or rules. See also <i>Enabling Environment, Market Chain, Market System and Market Services</i>
Market Player	Organisations or individuals who are active in a market system not only as suppliers or consumers but as regulators, developers of standards and providers of services, information, etc. This therefore may include organisations in the private and public sectors as well as non-profit organisations, representative organisations, and civil society groups
Market Services	Market services (also called business services or support functions) refers to any service – public or private – which helps a market function. This market ‘support’ can also be helpful to other parts of people’s wellbeing. For example, a road helps traders transport goods, but is also used by people to access hospitals, schools, visit family etc.
Market System	Market System refers to all the players or actors, and their relationships with each other and with support or business services as well as the enabling environment – or rules and norms that govern the way that system works. Market systems are interconnected when they share the same set of enabling environment / rules / norms and business / support services, for instance when they operate within one country. See also <i>Market Service, Market Systems Analysis, and Enabling Environment</i>
Market Systems Analysis	Market System analysis uses a systems approach to map out all the social, political, economic, cultural and physical factors affecting how a market operates. The market system approach is useful for complex market systems (like the rental market) of for products with long/international market chains.
Merchant	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. See also <i>Trader and Vendor (the terms are interchangeable)</i>
Microcredit	A sub-segment of microfinance that focuses on giving small loans to low-income people for the purpose of allowing them to earn additional income by investing in the establishment or expansion of microenterprises
Microenterprise	A market-oriented economic activity with – in most definitions – 10 or fewer employees (including the owner and unpaid family members)
Microfinance	The provision of financial services adapted to the needs of micro-entrepreneurs, low-income persons, or persons otherwise systematically excluded from formal financial services, especially small loans, small savings deposits, insurance, remittances, and payments services
Minimum Expenditure Basket	Defined as what a household needs – on a regular or seasonal basis – and its average cost over time. The MEB is a critical component in the design of Multipurpose Cash

(MEB)	Grants/Transfers (MPG/MPT); the MPG/MPT will contribute to meeting the MEB, but can also include other one-off/recovery needs. See also <i>Multipurpose Cash Grant / Multipurpose Cash Transfer</i>
Mobile Money	Mobile money uses the mobile phone to access financial services such as payments, transfers, insurance, savings, and credit. It is a paperless version of a national currency that can be used to provide humanitarian e-cash payments
Modality	Form of transfer (cash, vouchers, in-kind, or combination)
Multiplier Effect	Indirect effects of cash transfers whereby increased expenditure by recipients contributes to income growth for non-recipients, expansion of markets for local goods, or increased demands for services. The 'economic multiplier' is the estimated number by which a change in some other component of aggregate demand is multiplied to give the total amount by which the national income is increased as a result of direct and indirect benefits from that change in demand.
Multipurpose Cash Grant (MPG)/ Multipurpose Cash Transfer (MPT)	MPGs or MPTs are defined as a transfer (either regular or one-off) corresponding to the amount of money a household needs to cover, fully or partially, a set of basic and/or recovery needs. MPGs or MPTs are by definition unrestricted cash transfers. The MPG will contribute to meeting the Minimum Expenditure Basket (MEB), but can also include other one-off/recovery needs. See also <i>Minimum Expenditure Basket (MEB)</i>
Multisector Cash Transfer	A coordinated approach to cash transfers whereby a range of sector needs would be addressed through CTP by one organization or a range of organizations working together, possibly using a one delivery mechanism, but otherwise managing their program in the traditional way (sectoral definition of targeting, sectoral calculation of cash amount, sectoral indicators for reporting etc.).
Nominal Prices	The current monetary value of a good or service. See also <i>Real Prices</i>
Point of Service Device	Devices that do not contain any money, but have the capability of performing transactions (carried out in retail stores, restaurants, or mobile locations)
Price Elasticity	A measure of the variability of supply or demand in response to a change in price. Price elasticity of demand is calculated as the ratio of the percentage change in quantity demanded to the percentage change in price. Price elasticity of supply is the ratio of the percentage change in quantity supplied to the percentage change in price
Public Goods and Services	Public goods and services are those which are provided by the government. For instance major infrastructure, like power supply, roads, clean water, health services or schools. Individuals are not ordinarily expected to pay for public goods or services - though some public services may charge a nominal or subsidised user fee. Access to public services or goods may carry a charge however, for instance bus-fares to travel to a health centre.
Public Works Programmes (or Workfare)	Where income support for the poor is given in the form of wages in exchange for work effort. These programs typically provide short-term employment at low wages for unskilled and semiskilled workers on labour-intensive projects such as road construction and maintenance, irrigation infrastructure, reforestation, and soil conservation. Generally seen as a means of providing income support to the poor in critical times

	rather than as a way of getting the unemployed back into the labour market
Purchasing Power	The ability to purchase goods (this is usually defined by income)
Private Sector	The private sector includes any actors which generate surplus income / profit through their business operations. This includes small individual traders and micro-enterprises, small firms employing temporary labour, cooperatives with numerous 'members' or shareholders, through to multi-national companies. The absolute criteria for what is / isn't the private sector is blurred, as many private firms are owned by governments, and some enterprises – for instance 'social enterprises' – have business plans that generate a profit which is invested back in to society
Propensity to Consume	Propensity to consume is an economic term used to describe how much of a given amount of money a household has (e.g. income) it actually will spend on a given set of goods and services. Households can choose between what to spend on, as well as how much to 'spend' and use / consume, and how much to save and/ or invest in future income possibilities. The marginal propensity to consume is the amount EXTRA that a household <i>intends</i> to spend as a result of receiving more cash
Real Prices	Prices adjusted for inflation to reflect the purchasing power of the currency in a 'base' year, usually using a consumer price index for the corresponding year. See also <i>Nominal Prices</i>
Remittance	Money sent from one person to another, e.g. money sent home from emigrants working abroad
Remittance Companies	Companies whose only, or primary, service is wiring or transferring money electronically between locations, often from abroad. These companies provide a Cash Collection service, whereby the sender pays cash to have money transferred
Response Analysis (RA) or Response Analysis Framework (RAF)	The link between situational analysis (broadly speaking, needs assessment and other contextual information) and programme design. It involves the selection of programme response options, modalities and target groups; and should be informed by considerations of appropriateness and feasibility, and should simultaneously address needs while analysing and minimising potential harmful side-effects. [Maxwell, D. 2013]
Restriction	Restriction is defined as pertaining to the <u>utilization of a transfer</u> once it has been received by a beneficiary. It is distinct from conditionality, which pertains only to prerequisite conditions that a beneficiary must fulfil in order to receive a transfer. See also <i>Conditionality, Restricted Transfer and Unrestricted Transfer</i>
Restricted Transfer	A restricted transfer requires the beneficiary to use the assistance provided to access specific, pre-determined goods or services. <i>Vouchers are by default restricted transfers as the range of goods and services and/or the retailers or service providers from which they are accessed are pre-determined</i> See also <i>Restriction and Unrestricted Transfer</i>
Retail Price	The monetary value at which goods and services are exchanged at the end of the retail chain i.e. between the seller and the final consumer.
Safety Nets (SN) or Social Safety Nets	Safety nets target the poor or vulnerable and consist of non-contributory transfers, such as in-kind food, cash or vouchers; they can be provided conditionally or unconditionally.

	They are a sub-set of broader social protection systems. See also <i>Social Assistance and Social Protection</i>
Safety Net System	A collection of programs, ideally well-designed and well-implemented, complementing each other as well as complementing other public or social policies
Sector-Specific Intervention	This refers to a CTP intervention designed to achieve sector-specific objectives. Sector-specific cash transfers can be restricted or unrestricted, and conditional or unconditional
Situation Analysis	An overview of available secondary data and early primary data such as initial Needs Assessment and other contextual information [<i>MPG Toolkit</i>]
Smart Card	A smart card is a device that includes an embedded integrated circuit that can be either a secure microcontroller or equivalent intelligence with internal memory or memory chip alone. The card connects to a reader with direct physical contact or with a remote contactless radio frequency interface. With an embedded microcontroller, smart cards have the unique ability to store large amounts of data, carry out their own on-card functions (e.g. encryption and mutual authentication) and interact intelligently with a smart card reader [<i>Smart Card Alliance</i>]
Social Assistance / Social Assistance Transfers	Repeated, unconditional, predictable transfers of cash, goods or services provided on a long term basis to vulnerable or destitute households or specific individuals (e.g. the elderly, pregnant women), with the aim of allowing them to meet basic needs or build assets to protect themselves and increase resilience against shocks and vulnerable periods of the life cycle. Usually refers to government assistance provided in cash, but can also refer to in-kind assistance. See also <i>Safety Nets and Social Protection</i>
Social Protection	Actions carried out by the state or privately, to address risk, vulnerability and chronic poverty. Social protection refers to comprehensive systems including safety nets, social assistance, labour market policies, social insurance options (e.g. contributory pensions, health insurance), and basic social services (e.g. in education, health and nutrition). See also <i>Safety Nets and Social Assistance</i>
Supply Elasticity	The responsiveness of the quantity of a good supplied by traders and others relative to the change in its price (price elasticity of supply) or other factors (e.g. income of the supplier)
Trader	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. See also <i>Merchant and Vendor (the terms are interchangeable)</i>
Unconditional Transfer	Unconditional transfers are provided to beneficiaries without the recipient having to do anything in return in order to receive the assistance. See also <i>Conditionality and Conditional Transfer</i>
Unrestricted Transfer	Unrestricted transfers can be used entirely as the recipient chooses i.e. there are no restrictions on how the transfer is spent. See also <i>Restriction and Restricted Transfer</i>
Value Chain	A sequence or “chain” of activities carried out by multiple enterprises to produce and sell goods and services. As a raw material travels along this chain, each company adds to

	the value of the good or service until the final product is delivered to the consumer
Value for Money (VfM)	VfM refers to the optimal use of resources to achieve the best outcomes for people affected by crisis and disaster [DFID]
Value Voucher	A value voucher has a denominated cash value and can be exchanged with participating vendors for goods or services of an equivalent monetary cost. Value vouchers tend to provide relatively greater flexibility and choice than commodity vouchers, but are still necessarily restricted as they can only be exchanged with designated vendors.
Vendor	Supplier of goods and services. They may be contracted by a humanitarian organisation to participate in a cash-based intervention. See also <i>Trader and Vendor</i> (the terms are interchangeable)
Village Savings and Loans	An informal microfinance model based solely on member savings and small, community-managed groups. Members pool savings and provide loans with interest to each other. The interest is then disbursed to group members, based on their level of savings, at the end of a time-limited cycle
Voucher	A paper, token or e-voucher that can be exchanged for a set quantity or value of goods, denominated either as a cash value (e.g. \$15) or predetermined commodities or services (e.g. 5 kg maize; milling of 5kg of maize), or a combination of value and commodities. They are redeemable with preselected vendors or in 'fairs' created by the agency. Vouchers are used to provide access to a range of goods or services, at recognized retail outlets or service centers. Vouchers are by default a restricted form of transfer, although there are wide variations in the degree of restriction/flexibility different voucher-based programmes may provide. The terms vouchers, stamps, or coupons are often used interchangeably. See also <i>Combination Voucher, Commodity Voucher, E-Voucher and Value Voucher</i>
Wholesale Price	The monetary value at which a retailer purchases goods in bulk for onward selling to consumers, usually in smaller quantities and at an increased price
Willingness to Pay	This is an estimate of future expenditure requirements made up of historic costs, and what people would be willing to pay given a set amount of 'cash' at their disposal. It is used to contribute to the design of the Minimum Expenditure Basket (MEB). See also <i>Minimum Expenditure Basket</i>

Sources: Unless otherwise stated the definitions in this glossary are drawn from documentation produced by ACF, ICRC, CaLP, WFP, USAID, UNDP, OCHA, Oxfam, and Mercy Corps (ELAN)

Annex 1: Diagram of Key Cash Transfer Terminology

